1.1 moves to amend H.F. No. 3763 as follows:

1.2 Delete everything after the enacting clause and insert:

"ARTICLE 1

AGRICULTURE APPROPRIATIONS

Section 1. Laws 2023, chapter 43, article 1, section 2, is amended to read:

Sec. 2. DEPARTMENT OF AGRICULTURE

Subdivision 1. Total Appropriation $92,025,000

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>91,626,000</td>
<td>71,824,000</td>
</tr>
<tr>
<td>Remediation</td>
<td>87,626,000</td>
<td>80,119,000</td>
</tr>
</tbody>
</table>

The amounts that may be spent for each purpose are specified in the following subdivisions.

Subd. 2. Protection Services

<table>
<thead>
<tr>
<th>Appropriations by Fund</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>32,034,000</td>
<td>18,743,000</td>
</tr>
<tr>
<td>Remediation</td>
<td>399,000</td>
<td>399,000</td>
</tr>
</tbody>
</table>

(a) $399,000 the first year and $399,000 the second year are from the remediation fund for
2.1 administrative funding for the voluntary
2.2 cleanup program.
2.3 (b) $625,000 the first year and $625,000
2.4 $925,000 the second year are for the soil
2.5 health financial assistance program under
2.6 Minnesota Statutes, section 17.134. The
2.7 commissioner may award no more than
2.8 $50,000 of the appropriation each year to a
2.9 single recipient. The commissioner may use
2.10 up to 6.5 percent of this appropriation for costs
2.11 incurred to administer the program. Any
2.12 unencumbered balance does not cancel at the
2.13 end of the first year and is available in the
2.14 second year. Appropriations encumbered
2.15 under contract on or before June 30, 2025, for
2.16 soil health financial assistance grants are
2.17 available until June 30, 2027. The base for this
2.18 appropriation is $639,000 in fiscal year 2026
2.19 and each year thereafter.
2.20 (c) $800,000 the first year and $100,000 the
2.21 second year are for transfer to the pollinator
2.22 research account established under Minnesota
2.23 Statutes, section 18B.051. The base for this
2.24 transfer is $100,000 in fiscal year 2026 and
2.25 each year thereafter.
2.26 (d) $150,000 the first year and $150,000 the
2.27 second year are for transfer to the noxious
2.28 weed and invasive plant species assistance
2.29 account established under Minnesota Statutes,
2.30 section 18.89, to award grants under
2.31 Minnesota Statutes, section 18.90, to counties,
2.32 municipalities, and other weed management
2.33 entities, including Minnesota Tribal
2.34 governments as defined in Minnesota Statutes,
2.35 section 10.65. This is a onetime appropriation.
(e) $175,000 the first year and $175,000 the
second year are for compensation for
destroyed or crippled livestock under
Minnesota Statutes, section 3.737. The first
year appropriation may be spent to compensate
for livestock that were destroyed or crippled
during fiscal year 2023. If the amount in the
first year is insufficient, the amount in the
second year is available in the first year. The
commissioner may use up to $5,000 each year
to reimburse expenses incurred by university
extension educators to provide fair market
values of destroyed or crippled livestock. If
the commissioner receives federal dollars to
pay claims for destroyed or crippled livestock,
an equivalent amount of this appropriation
may be used to reimburse nonlethal prevention
methods performed by federal wildlife services
staff.

(f) $155,000 the first year and $155,000 the
second year are for compensation for crop
damage under Minnesota Statutes, section
3.7371. If the amount in the first year is
insufficient, the amount in the second year is
available in the first year. The commissioner
may use up to $10,000 of the appropriation
each year to reimburse expenses incurred by
the commissioner or the commissioner's
approved agent to investigate and resolve
claims, as well as for costs associated with
training for approved agents. The
commissioner may use up to $40,000 of the
appropriation each year to make grants to
producers for measures to protect stored crops
from elk damage. If the commissioner
determines that claims made under Minnesota
4.1 Statutes, section 3.737 or 3.7371, are unusually high, amounts appropriated for either program may be transferred to the appropriation for the other program.

4.2 (g) $825,000 the first year and $825,000 the second year are to replace capital equipment in the Department of Agriculture's analytical laboratory.

4.3 (h) $75,000 the first year and $75,000 the second year are to support a meat processing liaison position to assist new or existing meat and poultry processing operations in getting started, expanding, growing, or transitioning into new business models.

4.4 (i) $2,200,000 the first year and $1,650,000 the second year are additional funding to maintain the current level of service delivery for programs under this subdivision. The base for this appropriation is $1,925,000 for fiscal year 2026 and each year thereafter.

4.5 (j) $250,000 the first year and $250,000 the second year are for grants to organizations in Minnesota to develop enterprises, supply chains, and markets for continuous-living cover crops and cropping systems in the early stages of commercial development. For the purposes of this paragraph, "continuous-living cover crops and cropping systems" refers to agroforestry, perennial biomass, perennial forage, perennial grains, and winter-annual cereal grains and oilseeds that have market value as harvested or grazed commodities. By February 1 each year, the commissioner must submit a report to the chairs and ranking minority members of the legislative
committees with jurisdiction over agriculture 
finance and policy detailing uses of the funds 
in this paragraph, including administrative 
costs, and the achievements these funds 
contributed to. The commissioner may use up 
to 6.5 percent of this appropriation for 
administrative costs. This is a onetime 
appropriation.

(k) $45,000 the first year and $45,000 the 
second year are appropriated for 
wolf-livestock conflict-prevention grants. The 
commissioner may use some of this 
appropriation to support nonlethal prevention 
work performed by federal wildlife services. 
This is a onetime appropriation.

(l) $10,000,000 the first year is for transfer to 
the grain indemnity account established in 
Minnesota Statutes, section 223.24. This is a 
onetime transfer.

(m) $125,000 the first year and $125,000 the 
second year are for the PFAS in pesticides 
review. This is a onetime appropriation.

(n) $1,941,000 the first year is for transfer to 
the food handler license account. This is a 
onetime transfer.

(o) $3,072,000 the second year is for nitrate 
treatment. This is a onetime appropriation and 
is available until June 30, 2027.

(p) $223,000 the second year is for transfer to 
the commissioner of health for the private well 
water assistance program. This is a 
onetime transfer and is available until June 
30, 2027.
Subd. 3. Agricultural Marketing and Development

(a) $150,000 the first year and $150,000 the second year are to expand international trade opportunities and markets for Minnesota agricultural products.

(b) $186,000 the first year and $186,000 the second year are for transfer to the Minnesota grown account and may be used as grants for Minnesota grown promotion under Minnesota Statutes, section 17.102. Notwithstanding Minnesota Statutes, section 16A.28, the appropriations encumbered under contract on or before June 30, 2025, for Minnesota grown grants in this paragraph are available until June 30, 2027.

(c) $634,000 the first year and $634,000 the second year are for the continuation of the dairy development and profitability enhancement programs, including dairy profitability teams and dairy business planning grants under Minnesota Statutes, section 32D.30.

(d) The commissioner may use funds appropriated in this subdivision for annual cost-share payments to resident farmers or entities that sell, process, or package agricultural products in this state for the costs of organic certification. The commissioner may allocate these funds for assistance to persons transitioning from conventional to organic agriculture.

(e) $600,000 the first year and $420,000 the second year are to maintain the current level of service delivery. The base for this
appropriation is $490,000 $510,000 for fiscal
year 2026 and each year thereafter.

(f) $100,000 the first year and $100,000 the
second year are for mental health outreach and
support to farmers, ranchers, and others in the
agricultural community and for farm safety
grant and outreach programs under Minnesota
Statutes, section 17.1195. Mental health
outreach and support may include a 24-hour
hotline, stigma reduction, and education.
Notwithstanding Minnesota Statutes, section
16A.28, any unencumbered balance does not
cancel at the end of the first year and is
available in the second year. This is a onetime
appropriation.

(g) $100,000 the first year and $100,000 the
second year are to award and administer grants
for infrastructure and other forms of financial
assistance to support EBT, SNAP, SFMNP,
and related programs at farmers markets.
Notwithstanding Minnesota Statutes, section
16A.28, any unencumbered balance does not
cancel at the end of the first year and is
available in the second year. This is a onetime
appropriation.

(h) $200,000 the first year and $200,000 the
second year are to award cooperative grants
under Minnesota Statutes, section 17.1016.
The commissioner may use up to 6.5 percent
of the appropriation each year to administer
the grant program. Notwithstanding Minnesota
Statutes, section 16A.28, any unencumbered
balance does not cancel at the end of the first
year and is available in the second year. This
is a onetime appropriation.
Subd. 4. Agriculture, Bioenergy, and Bioproduct Advancement

(a) $10,702,000 the first year and $10,702,000 the second year are for the agriculture research, education, extension, and technology transfer program under Minnesota Statutes, section 41A.14. Except as provided below, the appropriation each year is for transfer to the agriculture research, education, extension, and technology transfer account under Minnesota Statutes, section 41A.14, subdivision 3, and the commissioner shall transfer funds each year to the Board of Regents of the University of Minnesota for purposes of Minnesota Statutes, section 41A.14. To the extent practicable, money expended under Minnesota Statutes, section 41A.14, subdivision 1, clauses (1) and (2), must supplement and not supplant existing sources and levels of funding. The commissioner may use up to one percent of this appropriation for costs incurred to administer the program.

Of the amount appropriated for the agriculture research, education, extension, and technology transfer grant program under Minnesota Statutes, section 41A.14:

(1) $600,000 the first year and $600,000 the second year are for the Minnesota Agricultural Experiment Station's agriculture rapid response fund under Minnesota Statutes, section 41A.14, subdivision 1, clause (2);

(2) up to $1,000,000 the first year and up to $1,000,000 the second year are for research on avian influenza, salmonella, and other
9.1 turkey-related diseases and disease prevention
9.2 measures;
9.3 (3) $2,250,000 the first year and $2,250,000 the second year are for grants to the Minnesota Agricultural Education Leadership Council to enhance agricultural education with priority given to Farm Business Management challenge grants;
9.4 (4) $450,000 the first year is for the cultivated wild rice breeding project at the North Central Research and Outreach Center to include a tenure track/research associate plant breeder;
9.5 (5) $350,000 the first year and $350,000 the second year are for potato breeding;
9.6 (6) $802,000 the first year and $802,000 the second year are to fund the Forever Green Initiative and protect the state's natural resources while increasing the efficiency, profitability, and productivity of Minnesota farmers by incorporating perennial and winter-annual crops into existing agricultural practices. The base for the allocation under this clause is $802,000 in fiscal year 2026 and each year thereafter. By February 1 each year, the dean of the College of Food, Agricultural and Natural Resource Sciences must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over agriculture finance and policy and higher education detailing uses of the funds in this paragraph, including administrative costs, and the achievements these funds contributed to; and
(7) $350,000 each year is for farm-scale winter
greenhouse research and development
coordinated by University of Minnesota
Extension Regional Sustainable Development
Partnerships. The allocation in this clause is
ontime.

(b) The base for the agriculture research,
education, extension, and technology transfer
program is $10,352,000 in fiscal year 2026
and $10,352,000 in fiscal year 2027.

(c) $27,107,000 $23,107,000 the first year and
$23,107,000 the second year are
for the
agricultural growth, research, and innovation
program under Minnesota Statutes, section
41A.12. Except as provided below, the
commissioner may allocate this appropriation
each year among the following areas:
facilitating the start-up, modernization,
 improvement, or expansion of livestock
operations, including beginning and
transitioning livestock operations with
preference given to robotic dairy-milking
equipment; assisting value-added agricultural
businesses to begin or expand, to access new
markets, or to diversify, including aquaponics
systems, with preference given to hemp fiber
processing equipment; facilitating the start-up,
modernization, or expansion of other
beginning and transitioning farms, including
by providing loans under Minnesota Statutes,
section 41B.056; sustainable agriculture
on-farm research and demonstration; the
development or expansion of food hubs and
other alternative community-based food
distribution systems; enhancing renewable
energy infrastructure and use; crop research, including basic and applied turf seed research; Farm Business Management tuition assistance; and good agricultural practices and good handling practices certification assistance. The commissioner may use up to 6.5 percent of this appropriation for costs incurred to administer the program.

Of the amount appropriated for the agricultural growth, research, and innovation program under Minnesota Statutes, section 41A.12:

1. $1,000,000 the first year and $1,000,000 the second year are for distribution in equal amounts to each of the state's county fairs to preserve and promote Minnesota agriculture;

2. $5,750,000 the first year and $5,750,000 the second year are for incentive payments under Minnesota Statutes, sections 41A.16, 41A.17, 41A.18, and 41A.20. Notwithstanding Minnesota Statutes, section 16A.28, the first year appropriation is available until June 30, 2025, and the second year appropriation is available until June 30, 2026. If this appropriation exceeds the total amount for which all producers are eligible in a fiscal year, the balance of the appropriation is available for other purposes under this paragraph. The base under this clause is $3,000,000 in fiscal year 2026 and each year thereafter;

3. $3,375,000 the first year and $3,375,000 the second year are for grants that enable retail petroleum dispensers, fuel storage tanks, and other equipment to dispense biofuels to the public in accordance with the biofuel...
replacement goals established under Minnesota Statutes, section 239.7911. A retail petroleum dispenser selling petroleum for use in spark ignition engines for vehicle model years after 2000 is eligible for grant money under this clause if the retail petroleum dispenser has no more than 10 retail petroleum dispensing sites and each site is located in Minnesota. The grant money must be used to replace or upgrade equipment that does not have the ability to be certified for E25. A grant award must not exceed 65 percent of the cost of the appropriate technology. A grant award must not exceed $200,000 per station. The commissioner must cooperate with biofuel stakeholders in the implementation of the grant program. The commissioner, in cooperation with any economic or community development financial institution and any other entity with which the commissioner contracts, must submit a report on the biofuels infrastructure financial assistance program by January 15 of each year to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture policy and finance. The annual report must include but not be limited to a summary of the following metrics: (i) the number and types of projects financed; (ii) the amount of dollars leveraged or matched per project; (iii) the geographic distribution of financed projects; (iv) any market expansion associated with upgraded infrastructure; (v) the demographics of the areas served; (vi) the costs of the program; and (vii) the number of grants to minority-owned or female-owned businesses.
The base under this clause is $3,000,000 for fiscal year 2026 and each year thereafter;

(4) $1,250,000 the first year and $1,250,000 the second year are for grants to facilitate the start-up, modernization, or expansion of meat, poultry, egg, and milk processing facilities. A grant award under this clause must not exceed $200,000. Any unencumbered balance at the end of the second year does not cancel until June 30, 2026, and may be used for other purposes under this paragraph. The base under this clause is $250,000 in fiscal year 2026 and each year thereafter;

(5) $1,150,000 the first year and $1,150,000 the second year are for providing more fruits, vegetables, meat, poultry, grain, and dairy for children in school and early childhood education centers, including, at the commissioner's discretion, providing grants to reimburse schools and early childhood education centers and child care providers for purchasing equipment and agricultural products. Organizations must participate in the National School Lunch Program or the Child and Adult Care Food Program to be eligible. Of the amount appropriated, $150,000 each year is for a statewide coordinator of farm-to-institution strategy and programming. The coordinator must consult with relevant stakeholders and provide technical assistance and training for participating farmers and eligible grant recipients. The base under this clause is $1,294,000 in fiscal year 2026 and each year thereafter;
(6) $4,000,000 the first year is for Dairy Assistance, Investment, Relief Initiative (DAIRI) grants and other forms of financial assistance to Minnesota dairy farms that enroll in coverage under a federal dairy risk protection program and produced no more than 16,000,000 pounds of milk in 2022. The commissioner must make DAIRI payments based on the amount of milk produced in 2022, up to 5,000,000 pounds per participating farm, at a rate determined by the commissioner within the limits of available funding. Any unencumbered balance does not cancel at the end of the first year and is available in the second year. Any unencumbered balance at the end of the second year does not cancel until June 30, 2026, and may be used for other purposes under this paragraph. The allocation in this clause is onetime;

(7) (6) $2,000,000 the first year and $2,000,000 the second year are for urban youth agricultural education or urban agriculture community development; and

(8) (7) $1,000,000 the first year and $1,000,000 the second year are for the good food access program under Minnesota Statutes, section 17.1017.

Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the first year and is available for the second year, and appropriations encumbered under contract on or before June 30, 2025, for agricultural growth, research, and innovation grants are available until June 30, 2028.
(d) $27,407,000 the second year is for the
agricultural growth, research, and innovation
program under Minnesota Statutes, section
41A.12. Except as provided below, the
commissioner may allocate this appropriation
among the following areas: facilitating the
start-up, modernization, improvement, or
expansion of livestock operations, including
beginning and transitioning livestock
operations with preference given to robotic
dairy-milking equipment; assisting
value-added agricultural businesses to begin
or expand, to access new markets, or to
diversify, including aquaponics systems, with
preference given to hemp fiber processing
equipment; facilitating the start-up,
modernization, or expansion of other
beginning and transitioning farms, including
by providing loans under Minnesota Statutes,
section 41B.056; sustainable agriculture
on-farm research and demonstration; the
development or expansion of food hubs and
other alternative community-based food
distribution systems; enhancing renewable
energy infrastructure and use; crop research,
including basic and applied turf seed research;
Farm Business Management tuition assistance;
and good agricultural practices and good
handling practices certification assistance. The
commissioner may use up to 6.5 percent of
this appropriation for costs incurred to
administer the program.

Of the amount appropriated for the agricultural
growth, research, and innovation program
under Minnesota Statutes, section 41A.12:
(1) $1,000,000 the second year is for distribution in equal amounts to each of the state's county fairs to preserve and promote Minnesota agriculture;

(2) $5,750,000 the second year is for incentive payments under Minnesota Statutes, sections 41A.16, 41A.17, 41A.18, and 41A.20. Notwithstanding Minnesota Statutes, section 16A.28, this appropriation is available until June 30, 2027. If this appropriation exceeds the total amount for which all producers are eligible in a fiscal year, the balance of the appropriation is available for other purposes under this paragraph. The base under this clause is $3,000,000 in fiscal year 2026 and each year thereafter;

(3) $3,475,000 the second year is for grants that enable retail petroleum dispensers, fuel storage tanks, and other equipment to dispense biofuels to the public in accordance with the biofuel replacement goals established under Minnesota Statutes, section 239.7911. A retail petroleum dispenser selling petroleum for use in spark ignition engines for vehicle model years after 2000 is eligible for grant money under this clause if the retail petroleum dispenser has no more than ten retail petroleum dispensing sites and each site is located in Minnesota. The grant money must be used to replace or upgrade equipment that does not have the ability to be certified for E25. A grant award must not exceed 65 percent of the cost of the appropriate technology. A grant award must not exceed $200,000 per station. The commissioner must
cooperate with biofuel stakeholders in the implementation of the grant program. The commissioner, in cooperation with any economic or community development financial institution and any other entity with which the commissioner contracts, must submit a report on the biofuels infrastructure financial assistance program by January 15 of each year to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over agriculture policy and finance. The annual report must include but not be limited to a summary of the following metrics: (i) the number and types of projects financed; (ii) the amount of dollars leveraged or matched per project; (iii) the geographic distribution of financed projects; (iv) any market expansion associated with upgraded infrastructure; (v) the demographics of the areas served; (vi) the costs of the program; and (vii) the number of grants to minority-owned or female-owned businesses. The base under this clause is $3,000,000 for fiscal year 2026 and each year thereafter; (4) $1,250,000 the second year is for grants to facilitate the start-up, modernization, or expansion of meat, poultry, egg, and milk processing facilities. A grant award under this clause must not exceed $200,000. Any unencumbered balance at the end of the second year does not cancel until June 30, 2027, and may be used for other purposes under this paragraph. The base under this clause is $250,000 in fiscal year 2026 and each year thereafter;
(5) $1,350,000 the second year is for providing more fruits, vegetables, meat, poultry, grain, and dairy for children in school and early childhood education settings, including, at the commissioner’s discretion, providing grants to reimburse schools and early childhood education and child care providers for purchasing equipment and agricultural products. Organizations must participate in the National School Lunch Program or the Child and Adult Care Food Program to be eligible. Of the amount appropriated, $150,000 is for a statewide coordinator of farm-to-institution strategy and programming. The coordinator must consult with relevant stakeholders and provide technical assistance and training for participating farmers and eligible grant recipients. The base under this clause is $1,294,000 in fiscal year 2026 and each year thereafter;

(6) $4,000,000 the second year is for Dairy Assistance, Investment, Relief Initiative (DAIRI) grants and other forms of financial assistance to Minnesota dairy farms that enroll in coverage under a federal dairy risk protection program and produced no more than 16,000,000 pounds of milk in 2022. The commissioner must make DAIRI payments based on the amount of milk produced in 2022, up to 5,000,000 pounds per participating farm, at a rate determined by the commissioner within the limits of available funding. Any unencumbered balance on June 30, 2026, may be used for other purposes under this paragraph. The allocation in this clause is onetime;
$2,000,000 the second year is for urban youth agricultural education or urban agriculture community development; and

$1,000,000 the second year is for the good food access program under Minnesota Statutes, section 17.1017.

Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the second year and is available until June 30, 2027. Appropriations encumbered under contract on or before June 30, 2027, for agricultural growth, research, and innovation grants are available until June 30, 2030.

$(d)(e) The base for the agricultural growth, research, and innovation program is $16,294,000 in fiscal year 2026 and each year thereafter and includes $200,000 each year for cooperative development grants.

Subd. 5. Administration and Financial Assistance

16,618,000 14,587,000

(a) $474,000 the first year and $474,000 the second year are for payments to county and district agricultural societies and associations under Minnesota Statutes, section 38.02, subdivision 1. Aid payments to county and district agricultural societies and associations must be disbursed no later than July 15 of each year. These payments are the amount of aid from the state for an annual fair held in the previous calendar year.

(b) $350,000 the first year and $350,000 the second year are for grants to the Minnesota Agricultural Education and Leadership
 Council for programs of the council under Minnesota Statutes, chapter 41D. The base for this appropriation is $250,000 in fiscal year 2026 and each year thereafter.

(c) $2,000 the first year is for a grant to the Minnesota State Poultry Association. This is a onetime appropriation. Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the first year and is available for the second year.

(d) $18,000 the first year and $18,000 the second year are for grants to the Minnesota Livestock Breeders Association. This is a onetime appropriation.

(e) $60,000 the first year and $60,000 the second year are for grants to the Northern Crops Institute that may be used to purchase equipment. This is a onetime appropriation.

(f) $34,000 the first year and $34,000 the second year are for grants to the Minnesota State Horticultural Society. This is a onetime appropriation.

(g) $25,000 the first year and $25,000 the second year are for grants to the Center for Rural Policy and Development. This is a onetime appropriation.

(h) $75,000 the first year and $75,000 the second year are appropriated from the general fund to the commissioner of agriculture for grants to the Minnesota Turf Seed Council for basic and applied research on: (1) the improved production of forage and turf seed related to new and improved varieties; and (2)
native plants, including plant breeding,
nutrient management, pest management,
disease management, yield, and viability. The
Minnesota Turf Seed Council may subcontract
with a qualified third party for some or all of
the basic or applied research. Any
unencumbered balance does not cancel at the
end of the first year and is available in the
second year. The Minnesota Turf Seed Council
must prepare a report outlining the use of the
grant money and related accomplishments. No
later than January 15, 2025, the council must
submit the report to the chairs and ranking
minority members of the legislative
committees and divisions with jurisdiction
over agriculture finance and policy. This is a
onetime appropriation.

(i) $100,000 the first year and $100,000 the
second year are for grants to GreenSeam for
assistance to agriculture-related businesses to
support business retention and development,
business attraction and creation, talent
development and attraction, and regional
branding and promotion. These are onetime
appropriations. No later than December 1,
2024, and December 1, 2025, GreenSeam
must report to the chairs and ranking minority
members of the legislative committees with
jurisdiction over agriculture and rural
development with information on new and
existing businesses supported, number of new
jobs created in the region, new educational
partnerships and programs supported, and
regional branding and promotional efforts.
(j) $1,950,000 the first year and $1,950,000 the second year are for grants to Second Harvest Heartland on behalf of Minnesota's six Feeding America food banks for the following purposes:

(1) at least $850,000 each year must be allocated to purchase milk for distribution to Minnesota's food shelves and other charitable organizations that are eligible to receive food from the food banks. Milk purchased under the grants must be acquired from Minnesota milk processors and based on low-cost bids. The milk must be allocated to each Feeding America food bank serving Minnesota according to the formula used in the distribution of United States Department of Agriculture commodities under The Emergency Food Assistance Program. Second Harvest Heartland may enter into contracts or agreements with food banks for shared funding or reimbursement of the direct purchase of milk. Each food bank that receives funding under this clause may use up to two percent for administrative expenses. Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance the first year does not cancel and is available the second year;

(2) to compensate agricultural producers and processors for costs incurred to harvest and package for transfer surplus fruits, vegetables, and other agricultural commodities that would otherwise go unharvested, be discarded, or be sold in a secondary market. Surplus commodities must be distributed statewide to food shelves and other charitable organizations.
that are eligible to receive food from the food
banks. Surplus food acquired under this clause
must be from Minnesota producers and
processors. Second Harvest Heartland may
use up to 15 percent of each grant awarded
under this clause for administrative and
transportation expenses; and

(3) to purchase and distribute protein products,
including but not limited to pork, poultry, beef,
dry legumes, cheese, and eggs to Minnesota's
food shelves and other charitable organizations
that are eligible to receive food from the food
banks. Second Harvest Heartland may use up
to two percent of each grant awarded under
this clause for administrative expenses. Protein
products purchased under the grants must be
acquired from Minnesota processors and

Second Harvest Heartland must submit
quarterly reports to the commissioner and the
chairs and ranking minority members of the
legislative committees with jurisdiction over
agriculture finance in the form prescribed by
the commissioner. The reports must include
but are not limited to information on the
expenditure of funds, the amount of milk or
other commodities purchased, and the
organizations to which this food was
distributed. The base for this appropriation is
$1,700,000 for fiscal year 2026 and each year
thereafter.

(k) $25,000 the first year and $25,000 the
second year are for grants to the Southern
Minnesota Initiative Foundation to promote
local foods through an annual event that raises
public awareness of local foods and connects local food producers and processors with potential buyers.

(l) $300,000 the first year and $300,000 the second year are for grants to The Good Acre for the Local Emergency Assistance Farmer Fund (LEAFF) program to compensate emerging farmers experiencing limited land access or limited market access for crops donated to hunger relief organizations in Minnesota. For purposes of this paragraph, "limited land access" and "limited market access" have the meanings given in Minnesota Statutes, section 17.133, subdivision 1. This is a onetime appropriation.

(m) $750,000 the first year and $750,000 the second year are to expand the Emerging Farmers Office and provide services to beginning and emerging farmers to increase connections between farmers and market opportunities throughout the state. This appropriation may be used for grants, translation services, training programs, or other purposes in line with the recommendations of the Emerging Farmer Working Group established under Minnesota Statutes, section 17.055, subdivision 1. The base for this appropriation is $1,000,000 in fiscal year 2026 and each year thereafter.

(n) $50,000 the first year is to provide technical assistance and leadership in the development of a comprehensive and well-documented state aquaculture plan. The commissioner must provide the state aquaculture plan to the legislative committees.
with jurisdiction over agriculture finance and policy by February 15, 2025.

(o) $337,000 the first year and $337,000 the second year are for farm advocate services. Of these amounts, $50,000 the first year and $50,000 the second year are for the continuation of the farmland transition programs and may be used for grants to farmland access teams to provide technical assistance to potential beginning farmers.

Farmland access teams must assist existing farmers and beginning farmers with transitioning farm ownership and farm operation. Services provided by teams may include but are not limited to mediation assistance, designing contracts, financial planning, tax preparation, estate planning, and housing assistance.

(p) $260,000 the first year and $260,000 the second year are for a pass-through grant to Region Five Development Commission to provide, in collaboration with Farm Business Management, statewide mental health counseling support to Minnesota farm operators, families, and employees, and individuals who work with Minnesota farmers in a professional capacity. Region Five Development Commission may use up to 6.5 percent of the grant awarded under this paragraph for administration.

(q) $1,000,000 the first year is for transfer to the agricultural emergency account established under Minnesota Statutes, section 17.041.

(r) $1,084,000 the first year and $500,000 the second year are to support IT modernization
efforts, including laying the technology foundations needed for improving customer interactions with the department for licensing and payments. This is a onetime appropriation.

(s) $275,000 the first year is for technical assistance grants to certified community development financial institutions that participate in United States Department of Agriculture loan or grant programs for small farmers or emerging farmers experiencing limited land access or limited market access, including but not limited to the Increasing Land, Capital, and Market Access Program. For purposes of this paragraph, "emerging farmer" has "limited land access" and "limited market access" have the meaning given in Minnesota Statutes, section 17.055, subdivision 1 section 17.133, subdivision 1. The commissioner may use up to 6.5 percent of this appropriation for costs incurred to administer the program. Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the first year and is available in the second year. This is a onetime appropriation.

(t) $1,425,000 the first year and $1,425,000 the second year are for transfer to the agricultural and environmental revolving loan account established under Minnesota Statutes, section 17.117, subdivision 5a, for low-interest loans under Minnesota Statutes, section 17.117.

(u) $150,000 the first year and $150,000 the second year are for administrative support for the Rural Finance Authority.
(v) The base in fiscal years 2026 and 2027 is $150,000 each year to coordinate climate-related activities and services within the Department of Agriculture and counterparts in local, state, and federal agencies and to hire a full-time climate implementation coordinator. The climate implementation coordinator must coordinate efforts seeking federal funding for Minnesota's agricultural climate adaptation and mitigation efforts and develop strategic partnerships with the private sector and nongovernment organizations.

(w) $1,200,000 the first year and $930,000 the second year are to maintain the current level of service delivery. The base for this appropriation is $1,085,000 in fiscal year 2026 and $1,065,000 in fiscal year 2027 and each year thereafter.

(x) $250,000 the first year is for a grant to the Board of Regents of the University of Minnesota to purchase equipment for the Veterinary Diagnostic Laboratory to test for chronic wasting disease, African swine fever, avian influenza, and other animal diseases. The Veterinary Diagnostic Laboratory must report expenditures under this paragraph to the legislative committees with jurisdiction over agriculture finance and higher education with a report submitted by January 3, 2024, and a final report submitted by December 31, 2024. The reports must include a list of equipment purchased, including the cost of each item.
(y) $1,000,000 the first year and $1,000,000 the second year are to award and administer down payment assistance grants under Minnesota Statutes, section 17.133, with priority given to emerging farmers as defined in Minnesota Statutes, section 17.055, subdivision 1 eligible applicants with no more than $100,000 in annual gross farm product sales, and eligible applicants who are producers of industrial hemp, cannabis, or one or more of the following speciality crops as defined by the United States Department of Agriculture for purposes of the specialty crop block grant program: fruits and vegetables, tree nuts, dried fruits, medicinal plants, culinary herbs and spices, horticulture crops, floriculture crops, and nursery crops.

Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance at the end of the first year does not cancel and is available in the second year and appropriations encumbered under contract by June 30, 2025, are available until June 30, 2027.

(z) $222,000 the first year and $322,000 the second year are for meat processing training and retention incentive grants under section 5. The commissioner may use up to 6.5 percent of this appropriation for costs incurred to administer the program. Notwithstanding Minnesota Statutes, section 16A.28, any unencumbered balance does not cancel at the end of the first year and is available in the second year. This is a onetime appropriation.

(aa) $300,000 the first year and $300,000 the second year are for transfer to the Board of
Regents of the University of Minnesota to evaluate, propagate, and maintain the genetic diversity of oilseeds, grains, grasses, legumes, and other plants including flax, timothy, barley, rye, triticale, alfalfa, orchard grass, clover, and other species and varieties that were in commercial distribution and use in Minnesota before 1970, excluding wild rice. This effort must also protect traditional seeds brought to Minnesota by immigrant communities. This appropriation includes funding for associated extension and outreach to small and Black, Indigenous, and People of Color (BIPOC) farmers. This is a onetime appropriation.

(bb) $300,000 the second year is to award and administer beginning farmer equipment and infrastructure grants under Minnesota Statutes, section 17.055. This is a onetime appropriation.

(cc) The commissioner shall continue to increase connections with ethnic minority and immigrant farmers to farming opportunities and farming programs throughout the state.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Laws 2023, chapter 43, article 1, section 4, is amended to read:

(a) $300,000 the first year is for equipment upgrades, equipment replacement, installation expenses, and laboratory infrastructure at the Agricultural Utilization Research Institute's laboratories in the cities of Crookston, Marshall, and Waseca.
(b) $1,500,000 the first year is to replace analytical and processing equipment and make corresponding facility upgrades at Agricultural Utilization Research Institute facilities in the cities of Marshall, Crookston, and Waseca. Of this amount, up to $500,000 may be used for renewable natural gas and anaerobic digestion projects. This is a onetime appropriation and is available until June 30, 2026.

(c) $300,000 the first year and $300,000 the second year are to maintain the current level of service delivery.

(d) $250,000 the first year is to support food businesses. This is a onetime appropriation and is available until June 30, 2026.

EFFECTIVE DATE. This section is effective the day following final enactment.

ARTICLE 2

PESTICIDE CONTROL

Section 1. Minnesota Statutes 2022, section 18B.01, is amended by adding a subdivision to read:

Subd. 1d. Application or use of a pesticide. "Application or use of a pesticide" includes:

(1) the dispersal of a pesticide on, in, at, or directed toward a target site;

(2) preapplication activities that involve the mixing and loading of a restricted use pesticide; and

(3) other restricted use pesticide-related activities, including but not limited to transporting or storing pesticide containers that have been opened; cleaning equipment; and disposing of excess pesticides, spray mix, equipment wash waters, pesticide containers, and other materials that contain pesticide.
Sec. 2. Minnesota Statutes 2022, section 18B.26, subdivision 6, is amended to read:

**Subd. 6. Discontinuance or cancellation of registration.** (a) To ensure the complete withdrawal from distribution or further use of a pesticide, a person who intends to discontinue a pesticide registration must:

1. terminate a further distribution within the state and continue to register the pesticide annually for two successive years; and
2. initiate and complete a total recall of the pesticide from all distribution in the state within 60 days from the date of notification to the commissioner of intent to discontinue registration; or
3. submit to the commissioner evidence adequate to document that no distribution of the registered pesticide has occurred in the state.

(b) Upon the request of a registrant, the commissioner may immediately cancel registration of a pesticide product. The commissioner may immediately cancel registration of a pesticide product at the commissioner's discretion. When requesting that the commissioner immediately cancel registration of a pesticide product, a registrant must provide the commissioner with:

1. a statement that the pesticide product is no longer in distribution; and
2. documentation of pesticide gross sales from the previous year supporting the statement under clause (1).

Sec. 3. Minnesota Statutes 2022, section 18B.28, is amended by adding a subdivision to read:

**Subd. 5. Advisory panel.** Before approving the issuance of an experimental use pesticide product registration under this section, the commissioner must convene and consider the advice of a panel of outside scientific and health experts. The panel must include, but is not limited to, representatives of the Department of Health, the Department of Natural Resources, the Pollution Control Agency, and the University of Minnesota.

Sec. 4. [18B.283] EXPERT ADVICE REQUIRED FOR EMERGENCY EXEMPTIONS.

Within 30 days of submitting an emergency registration exemption application under section 18 of FIFRA, the commissioner must convene and consider the advice of a panel of outside scientific and health experts. The panel must include, but is not limited to,
representatives of the Department of Health, the Department of Natural Resources, the
Pollution Control Agency, and the University of Minnesota.

Sec. 5. Minnesota Statutes 2022, section 18B.305, subdivision 2, is amended to read:

Subd. 2. **Training manual and examination development.** The commissioner, in
consultation with University of Minnesota Extension and other higher education institutions,
shall continually revise and update pesticide applicator training manuals and examinations.
The manuals and examinations must be written to meet or exceed the minimum competency
standards required by the United States Environmental Protection Agency and pertinent
state specific information. Pesticide applicator training manuals and examinations must
meet or exceed the competency standards in Code of Federal Regulations, title 40, part 171.
Competency standards for training manuals and examinations must be published on the
Department of Agriculture website. Questions in the examinations must be determined by
the commissioner in consultation with other responsible agencies. Manuals and examinations
must include pesticide management practices that discuss prevention of pesticide occurrence
in groundwater and surface water of the state, and economic thresholds and guidance for
insecticide use.

Sec. 6. Minnesota Statutes 2022, section 18B.32, subdivision 1, is amended to read:

Subdivision 1. **Requirement.** (a) A person may not engage in structural pest control
applications:

(1) for hire without a structural pest control license; and

(2) as a sole proprietorship, company, partnership, or corporation unless the person is
or employs a licensed master in structural pest control operations; and

(3) unless the person is 18 years of age or older.

(b) A structural pest control licensee must have a valid license identification card to
purchase a restricted use pesticide or apply pesticides for hire and must display it upon
demand by an authorized representative of the commissioner or a law enforcement officer.
The license identification card must contain information required by the commissioner.

Sec. 7. Minnesota Statutes 2022, section 18B.32, subdivision 3, is amended to read:

Subd. 3. **Application.** (a) A person must apply to the commissioner for a structural pest
control license on forms and in the manner required by the commissioner. The commissioner
shall require the applicant to pass a written, closed-book, monitored examination or oral
examination, or both, and may also require a practical demonstration regarding structural pest control. The commissioner shall establish the examination procedure, including the phases and contents of the examination.

(b) The commissioner may license a person as a master under a structural pest control license if the person has the necessary qualifications through knowledge and experience to properly plan, determine, and supervise the selection and application of pesticides in structural pest control. To demonstrate the qualifications and become licensed as a master under a structural pest control license, a person must:

(1) pass a closed-book test administered by the commissioner;

(2) have direct experience as a licensed journeyman under a structural pest control license for at least two years by this state or a state with equivalent certification requirements or as a full-time licensed master in another state with equivalent certification requirements; and

(3) show practical knowledge and field experience under clause (2) in the actual selection and application of pesticides under varying conditions.

(c) The commissioner may license a person as a journeyman under a structural pest control license if the person:

(1) has the necessary qualifications in the practical selection and application of pesticides;

(2) has passed a closed-book examination given by the commissioner; and

(3) is engaged as an employee of or is working under the direction of a person licensed as a master under a structural pest control license.

(d) The commissioner may license a person as a fumigator under a structural pest control license if the person:

(1) has knowledge of the practical selection and application of fumigants;

(2) has passed a closed-book examination given by the commissioner; and

(3) is licensed by the commissioner as a master or journeyman under a structural pest control license.

Sec. 8. Minnesota Statutes 2022, section 18B.32, subdivision 4, is amended to read:

Subd. 4. Renewal. (a) An applicator may apply to renew a structural pest control applicator license on or before the expiration of an existing license subject to reexamination, attendance at workshops a recertification workshop approved by the commissioner, or other requirements imposed by the commissioner to provide the applicator
with information regarding changing technology and to help assure a continuing level of
cOMPETENCY and ability to use pesticides safely and properly. A recertification workshop
must meet or exceed the competency standards in Code of Federal Regulations, title 40,
Part 171. Competency standards for a recertification workshop must be published on the
Department of Agriculture website. If the commissioner requires an applicator to attend a
recertification workshop and the applicator fails to attend the workshop, the commissioner
may require the applicator to pass a reexamination. The commissioner may require an
additional demonstration of applicator qualification if the applicator has had a license
suspended or revoked or has otherwise had a history of violations of this chapter.
(b) If a person an applicator fails to renew a structural pest control license within three
months of its expiration, the person applicator must obtain a structural pest control license
subject to the requirements, procedures, and fees required for an initial license.

Sec. 9. Minnesota Statutes 2022, section 18B.32, subdivision 5, is amended to read:

Subd. 5. Financial responsibility. (a) A structural pest control license may not be issued
unless the applicant furnishes proof of financial responsibility. The commissioner may
suspend or revoke a structural pest control license if an applicator fails to provide proof of
financial responsibility upon the commissioner’s request. Financial responsibility may be
demonstrated by:

(1) proof of net assets equal to or greater than $50,000; or
(2) a performance bond or insurance of a kind and in an amount determined by the
commissioner.

(b) The bond or insurance must cover a period of time at least equal to the term of the
applicant’s license. The commissioner must immediately suspend the license of a person an applicator who fails to maintain the required bond or insurance. The
performance bond or insurance policy must contain a provision requiring the insurance or
bonding company to notify the commissioner by ten days before the effective date of
cancellation, termination, or any other change of the bond or insurance. If there is recovery
against the bond or insurance, additional coverage must be secured by the applicator to
maintain financial responsibility equal to the original amount required.

(c) An employee of a licensed person is not required to maintain an insurance policy or
bond during the time the employer is maintaining the required insurance or bond.

(d) Applications for reinstatement of a license suspended under the provisions of this
section must be accompanied by proof of satisfaction of judgments previously rendered.
Sec. 10. Minnesota Statutes 2022, section 18B.33, subdivision 1, is amended to read:

Subdivision 1. Requirement. (a) A person may not apply a pesticide for hire without a commercial applicator license for the appropriate use categories or a structural pest control license.

(b) A commercial applicator licensee must have a valid license identification card to purchase a restricted use pesticide or apply pesticides for hire and must display it upon demand by an authorized representative of the commissioner or a law enforcement officer. The commissioner shall prescribe the information required on the license identification card.

(c) A person licensed under this section is considered qualified and is not required to verify, document, or otherwise prove a particular need prior to use, except as required by the federal label.

(d) A person who uses a general-use sanitizer or disinfectant for hire in response to COVID-19 is exempt from the commercial applicator license requirements under this section.

(e) A person licensed under this section must be 18 years of age or older.

Sec. 11. Minnesota Statutes 2022, section 18B.33, subdivision 5, is amended to read:

Subd. 5. Renewal application. (a) A person must apply to the commissioner to renew a commercial applicator license. The commissioner may renew a commercial applicator license accompanied by the application fee, subject to reexamination, attendance at workshops a recertification workshop approved by the commissioner, or other requirements imposed by the commissioner to provide the applicator with information regarding changing technology and to help assure a continuing level of competence and ability to use pesticides safely and properly. The applicant Upon the receipt of an applicator's renewal application, the commissioner may require the applicator to attend a recertification workshop. Depending on the application category, the commissioner may require an applicator to complete a recertification workshop once per year, once every two years, or once every three years. If the commissioner requires an applicator to attend a recertification workshop and the applicator fails to attend the workshop, the commissioner may require the applicator to pass a reexamination. A recertification workshop must meet or exceed the competency standards in Code of Federal Regulations, title 40, part 171. Competency standards for a recertification workshop must be published on the Department of Agriculture website. An applicator may renew a commercial applicator license within 12 months after expiration of the license without having to meet initial testing requirements. The
commissioner may require an additional demonstration of applicator qualification if the applicant has had a license suspended or revoked or has had a history of violations of this chapter.

(b) An applicant that meets renewal requirements by reexamination instead of attending workshops must pay the equivalent workshop fee for the reexamination as determined by the commissioner.

Sec. 12. Minnesota Statutes 2022, section 18B.33, subdivision 6, is amended to read:

Subd. 6. Financial responsibility. (a) A commercial applicator license may not be issued unless the applicant furnishes proof of financial responsibility. The commissioner may suspend or revoke an applicator's commercial applicator license if the applicant fails to provide proof of financial responsibility upon the commissioner's request. Financial responsibility may be demonstrated by: (1) proof of net assets equal to or greater than $50,000; or (2) by a performance bond or insurance of the kind and in an amount determined by the commissioner.

(b) The bond or insurance must cover a period of time at least equal to the term of the applicant's license. The commissioner must immediately suspend the license of a person who fails to maintain the required bond or insurance. The performance bond or insurance policy must contain a provision requiring the insurance or bonding company to notify the commissioner by ten days before the effective date of cancellation, termination, or any other change of the bond or insurance. If there is recovery against the bond or insurance, additional coverage must be secured by the applicant to maintain financial responsibility equal to the original amount required.

(c) An employee of a licensed person is not required to maintain an insurance policy or bond during the time the employer is maintaining the required insurance or bond.

(d) Applications for reinstatement of a license suspended under the provisions of this section must be accompanied by proof of satisfaction of judgments previously rendered.

Sec. 13. Minnesota Statutes 2022, section 18B.34, subdivision 1, is amended to read:

Subdivision 1. Requirement. (a) Except for a licensed commercial applicator, certified private applicator, or licensed structural pest control applicator, a person, including a government employee, may not purchase or use a restricted use pesticide in performance of official duties without having a noncommercial applicator license for an appropriate use category.
(b) A licensee must have a valid license identification card when applying pesticides
and must display it upon demand by an authorized representative of the commissioner or a
law enforcement officer. The license identification card must contain information required
by the commissioner.

(c) A person licensed under this section is considered qualified and is not required to
verify, document, or otherwise prove a particular need prior to use, except as required by
the federal label.

(d) A person licensed under this section must be 18 years of age or older.

Sec. 14. Minnesota Statutes 2022, section 18B.34, subdivision 4, is amended to read:

Subd. 4. Renewal. (a) An applicator must apply to the commissioner to renew
a noncommercial applicator license. The commissioner may renew a license subject to
reexamination, attendance at workshops approved by the commissioner, or other requirements imposed by the commissioner to provide the applicator with information regarding changing technology and to help assure a continuing level of competence and ability to use pesticides safely and properly. Upon the receipt of an applicator's renewal application, the commissioner may require the applicator to attend a recertification workshop. Depending on the application category, the commissioner may require an applicator to complete a recertification workshop once per year, once every two years, or once every three years. If the commissioner requires an applicator to attend a recertification workshop and the applicator fails to attend the workshop, the commissioner may require the applicator to pass a reexamination. A recertification workshop must meet or exceed the competency standards in Code of Federal Regulations, title 40, part 171. Competency standards for a recertification website must be published on the Department of Agriculture website. The commissioner may require an additional demonstration of applicator qualification if the applicator has had a license suspended or revoked or has otherwise had a history of violations of this chapter.

(b) An applicator that meets renewal requirements by reexamination instead of attending workshops approved by the commissioner must pay the equivalent workshop fee for the reexamination as determined by the commissioner.

(c) An applicator has 12 months to renew the license after expiration without having to meet initial testing requirements.
Sec. 15. Minnesota Statutes 2022, section 18B.35, subdivision 1, is amended to read:

Subdivision 1. **Establishment.** (a) The commissioner may establish categories of structural pest control, commercial applicator, and noncommercial applicator licenses for administering and enforcing this chapter, and private applicator certification consistent with federal requirements in Code of Federal Regulations, title 40, parts 171.101 and 171.105, including but not limited to the federal categories that are applicable to the state. Application categories must meet or exceed the competency standards in Code of Federal Regulations, title 40, part 171. Competency standards for application categories must be published on the Department of Agriculture website. The categories may include pest control operators and ornamental, agricultural, aquatic, forest, and right-of-way pesticide applicators. Separate subclassifications of categories may be specified as to ground, aerial, or manual methods to apply pesticides or to the use of pesticides to control insects, plant diseases, rodents, or weeds.

(b) Each category is subject to separate testing procedures and requirements.

Sec. 16. Minnesota Statutes 2022, section 18B.36, subdivision 1, is amended to read:

Subdivision 1. **Requirement.** (a) Except for a licensed commercial or noncommercial applicator, only a certified private applicator may use a restricted use pesticide to produce an agricultural commodity:

(1) as a traditional exchange of services without financial compensation;

(2) on a site owned, rented, or managed by the person or the person's employees; or

(3) when the private applicator is one of two or fewer employees and the owner or operator is a certified private applicator or is licensed as a noncommercial applicator.

(b) A person may not purchase a restricted use pesticide without presenting a license card, certified private applicator card, or the card number.

(c) A person certified under this section is considered qualified and is not required to verify, document, or otherwise prove a particular need prior to use, except as required by the federal label.

(d) A person certified under this section must be 18 years of age or older.

Sec. 17. Minnesota Statutes 2022, section 18B.36, subdivision 2, is amended to read:

Subd. 2. **Certification.** (a) The commissioner shall prescribe certification requirements and provide training that meets or exceeds United States Environmental Protection Agency Article 2 Sec. 17.
standards to certify private applicators and provide information relating to changing technology to help ensure a continuing level of competency and ability to use pesticides properly and safely. Private applicator certification requirements and training must meet or exceed the competency standards in Code of Federal Regulations, title 40, part 171. Competency standards for private applicator certification and training must be published on the Department of Agriculture website. The training may be done through cooperation with other government agencies and must be a minimum of three hours in duration.

(b) A person must apply to the commissioner for certification as a private applicator. After completing the certification requirements, which must include an proctored examination as determined by the commissioner, an applicant must be certified as a private applicator to use restricted use pesticides. The certification shall expire March 1 of the third calendar year after the initial year of certification.

c) The commissioner shall issue a private applicator card to a private applicator.

Sec. 18. Minnesota Statutes 2022, section 18B.37, subdivision 2, is amended to read:

Subd. 2. Commercial and noncommercial applicators. (a) A commercial or noncommercial applicator; or the applicator's authorized agent; must maintain a record of pesticides used on each site. Noncommercial applicators must keep records of restricted use pesticides. The record must include the:

(1) date of the pesticide use;

(2) time the pesticide application was completed;

(3) brand name of the pesticide, the United States Environmental Protection Agency registration number, and rate used;

(4) number of units treated;

(5) temperature, wind speed, and wind direction;

(6) location of the site where the pesticide was applied;

(7) name and address of the customer;

(8) name of applicator, name of company, license number of applicator, and address of applicator company; and

(9) any other information required by the commissioner.

(b) Portions of records not relevant to a specific type of application may be omitted upon approval from the commissioner.
(c) All information for this record requirement must be contained in a document for each pesticide application, except a map may be attached to identify treated areas. An invoice containing the required information may constitute the required record. The commissioner shall make sample forms available to meet the requirements of this paragraph.

(d) The record must be completed no later than five days after the application of the pesticide.

(e) A commercial applicator must give a copy of the record to the customer.

(f) Records must be retained by the applicator, company, or authorized agent for five years after the date of treatment.

(g) A record of a commercial or noncommercial applicator must meet or exceed the requirements in Code of Federal Regulations, title 40, part 171.

Sec. 19. Minnesota Statutes 2022, section 18B.37, subdivision 3, is amended to read:

Subd. 3. Structural pest control applicators. (a) A structural pest control applicator must maintain a record of each structural pest control application conducted by that person or by the person's employees. The record must include the:

1. date of structural pest control application;

2. target pest;

3. brand name of the pesticide, United States Environmental Protection Agency registration number, and amount used;

4. for fumigation, the temperature and exposure time;

5. time the pesticide application was completed;

6. name and address of the customer;

7. name of structural pest control applicator, name of company and address of applicator or company, and license number of applicator; and

8. any other information required by the commissioner.

(b) All information for this record requirement must be contained in a document for each pesticide application. An invoice containing the required information may constitute the record.

(c) The record must be completed no later than five days after the application of the pesticide.
(d) Records must be retained for five years after the date of treatment.

(e) A copy of the record must be given to a person who ordered the application that is present at the site where the structural pest control application is conducted, placed in a conspicuous location at the site where the structural pest control application is conducted immediately after the application of the pesticides, or delivered to the person who ordered an application or the owner of the site. The commissioner must make sample forms available that meet the requirements of this subdivision.

(f) A structural applicator must post in a conspicuous place inside a renter's apartment where a pesticide application has occurred a list of postapplication precautions contained on the label of the pesticide that was applied in the apartment and any other information required by the commissioner.

(g) A record of a structural applicator must meet or exceed the requirements in Code of Federal Regulations, title 40, part 171.

Sec. 20. COMMERCIAL APPLICATOR LICENSE EXAMINATION LANGUAGE REQUIREMENTS.

By January 1, 2025, the commissioner of agriculture must ensure that examinations for a commercial applicator license under Minnesota Statutes, section 18B.33, are available in Spanish and that applicants are informed that the examinations can be taken in Spanish. The commissioner must use money appropriated from the pesticide regulatory account under Minnesota Statutes, section 18B.05, for this purpose.

ARTICLE 3

OTHER AGRICULTURE STATUTORY CHANGES

Section 1. Minnesota Statutes 2022, section 3.7371, is amended by adding a subdivision to read:

Subd. 1a. Definitions. (a) "Approved agent" means a person authorized by the Department of Agriculture to determine if crop or fence damage was caused by elk and to assign a monetary value to the crop or fence damage.

(b) "Commissioner" means the commissioner of agriculture or the commissioner's authorized representative.

(c) "Estimated value" means the current value of crops or fencing as determined by an approved agent.
(d) "Owner" means an individual, firm, corporation, copartnership, or association with an interest in crops or fencing damaged by elk.

Sec. 2. Minnesota Statutes 2022, section 3.7371, subdivision 2, is amended to read:

Subd. 2. Claim form and reporting. (a) The owner must prepare a claim on forms provided by the commissioner and available on the Department of Agriculture's website or by request from the commissioner. The claim form must be filed with the commissioner.

(b) After discovering crop or fence damage suspected to be caused by elk, an owner must promptly notify an approved agent of the damage. To submit a claim for crop or fence damage caused by elk, an owner must complete the required portions of the claim form provided by the commissioner. An owner who has submitted a claim must provide an approved agent with all information required to investigate the crop or fence damage.

Sec. 3. Minnesota Statutes 2022, section 3.7371, is amended by adding a subdivision to read:

Subd. 2a. Investigation and crop valuation. (a) Upon receiving notification of crop or fence damage suspected to be caused by elk, an approved agent must promptly investigate the damage in a timely manner. An approved agent must make written findings on the claim form regarding whether the crop was destroyed or damaged by elk. The approved agent's findings must be based on physical and circumstantial evidence, including:

(1) the condition of the crop or fence;

(2) the presence of elk tracks;

(3) the geographic area of the state where the crop or fence damage occurred;

(4) any sightings of elk in the area; and

(5) any other circumstances that the approved agent considers to be relevant.

(b) The absence of affirmative evidence may be grounds for denial of a claim.

(c) On a claim form, an approved agent must make written findings of the extent of crop or fence damage and, if applicable, the amount of crop destroyed.

(d) For damage to standing crops, an owner may choose to have the approved agent use the method in clause (1) or clause (2) to complete the claim form and determine the amount of crop loss:
(1) to submit a claim form to the commissioner at the time that the suspected elk damage is discovered, the approved agent must record on the claim form: (i) the field's potential yield per acre; (ii) the field's average yield per acre that is expected on the damaged acres; (iii) the estimated value of the crop; and (iv) the total amount of loss. Upon completing the claim form, the approved agent must submit the form to the commissioner; or

(2) to submit a claim form to the commissioner at the time that the crop is harvested, the approved agent must record on the claim form at the time of the investigation: (i) the percent of crop loss from damage; (ii) the actual yield of the damaged field when the crop is harvested; (iii) the estimated value of the crop; and (iv) the total amount of loss. Upon completing the claim form, the approved agent must submit the form to the commissioner.

(e) For damage to stored crops, an approved agent must record on the claim form: (1) the type and volume of destroyed stored crops; (2) the estimated value of the crop; and (3) the total amount of the loss.

(f) For damage to fencing, an approved agent must record on the claim form: (1) the type of materials damaged; (2) the linear feet of the damage; (3) the value of the materials per unit according to National Resource Conservation Service specifications; and (4) the calculated total damage to the fence.

Sec. 4. Minnesota Statutes 2022, section 3.7371, is amended by adding a subdivision to read:

Subd. 2b. Claim form. A completed claim form must be signed by the owner and an approved agent. An approved agent must submit the claim form to the commissioner for the commissioner’s review and payment. The commissioner must return an incomplete claim form to the approved agent. When returning an incomplete claim form to an approved agent, the commissioner must indicate which information is missing from the claim form.

Sec. 5. Minnesota Statutes 2022, section 3.7371, subdivision 3, is amended to read:

Subd. 3. Compensation. (a) The crop or fence owner is entitled to the target price or the market price, whichever is greater, estimated value of the damaged or destroyed crop or fence, plus adjustments for yield loss determined according to agricultural stabilization and conservation service programs for individual farms, adjusted annually, as determined by the commissioner, upon recommendation of the commissioner’s approved agent for the owner’s county or fence. Verification of crop or fence damage or destruction by elk may be provided by submitting photographs or other evidence and documentation together with a statement from an independent witness using forms prescribed by the commissioner. The commissioner,
upon recommendation of the commissioner's approved agent, shall determine whether the
crop damage or destruction or damage to or destruction of a fence surrounding a crop or
pasture is caused by elk and, if so, the amount of the crop or fence that is damaged or
destroyed. In any fiscal year, an owner may not be compensated for a damaged or destroyed
crop or fence surrounding a crop or pasture that is less than $100 in value and may be
compensated up to $20,000, as determined under this section, if normal harvest procedures
for the area are followed. An owner may not be compensated more than $1,800 per fiscal
year for damage to fencing surrounding a crop or pasture.

(b) In any fiscal year, the commissioner may provide compensation for claims filed
under this section up to the amount expressly appropriated for this purpose.

Sec. 6. [17.034] DEBT REDUCTION GRANTS.

Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
the meanings given.

(b) "Eligible farmer" means an owner-member of a farmers' market who sells products
of their farm or garden at the farmers' market.

(c) "Farmers' market" has the meaning given in section 28A.151, subdivision 1, paragraph
of.

Subd. 2. Debt reduction grants. The commissioner of agriculture must award debt
reduction grants of up to $20,000 to eligible farmers who make scheduled or accelerated
principal payments on agricultural operating, real estate, or capital equipment loans. An
eligible farmer may receive one grant per year. Grants under this subdivision must be
awarded on a reimbursement basis and are subject to sections 16B.97 to 16B.991.

Subd. 3. Annual report. No later than February 1 each year, the commissioner must
report program outcomes and any corresponding recommendations to the legislative
committees with jurisdiction over agriculture finance.

Subd. 4. Expiration. This section expires June 30, 2030.

Sec. 7. Minnesota Statutes 2023 Supplement, section 17.055, subdivision 3, is amended
to read:

Subd. 3. Beginning farmer equipment and infrastructure grants. (a) The commissioner
may award and administer equipment and infrastructure grants to beginning farmers. The
commissioner shall give preference to applicants who are emerging farmers experiencing
limited land access or limited market access as those terms are defined in section 17.133.

subdivision 1. Grant money may be used for equipment and infrastructure development.

(b) The commissioner shall develop competitive eligibility criteria and may allocate
grants on a needs basis.

(c) Grant projects may continue for up to two years.

Sec. 8. Minnesota Statutes 2022, section 17.133, subdivision 1, is amended to read:

Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
the meanings given.

(b) "Eligible farmer" means an individual who at the time that the grant is awarded:

(1) is a resident of Minnesota who intends to acquire farmland located within the state
and provide the majority of the day-to-day physical labor and management of the farm;
(2) grosses no more than $250,000 per year from the sale of farm products; and
(3) has not, and whose spouse has not, at any time had a direct or indirect ownership
interest in farmland; and
(4) is not, and whose spouse is not, related by blood or marriage to an owner of the
farmland that the individual intends to acquire.

(c) "Farm down payment" means an initial, partial payment required by a lender or seller
to purchase farmland.

(d) "Incubator farm" means a farm where:

(1) individuals are given temporary, exclusive, and affordable access to small parcels
of land, infrastructure, and often training, for the purpose of honing skills and launching a
farm business; and
(2) a majority of the individuals farming the small parcels of land grow industrial hemp,
cannabis, or one or more of the following specialty crops as defined by the United States
Department of Agriculture for purposes of the specialty crop block grant program: fruits
and vegetables, tree nuts, dried fruits, medicinal plants, culinary herbs and spices, horticulture
crops, floriculture crops, and nursery crops.

(e) "Limited land access" means farming land that the individual does not own when:

(1) the individual or the individual's child rents or leases the land, with the term of each
rental or lease agreement not exceeding three years in duration, from a person who is not
related to the individual or the individual's spouse by blood or marriage; or
(2) the individual rents the land from an incubator farm.

(f) "Limited market access" means the majority of the individual's annual farm product sales are direct sales to the consumer.

Sec. 9. Minnesota Statutes 2023 Supplement, section 17.133, subdivision 3, is amended to read:

Subd. 3. Report to legislature. No later than December 1, 2023, and annually thereafter, the commissioner must provide a report to the chairs and ranking minority members of the legislative committees having jurisdiction over agriculture and rural development, in compliance with sections 3.195 and 3.197, on the farm down payment assistance grants under this section. The report must include:

(1) background information on beginning farmers in Minnesota and any other information that the commissioner and authority find relevant to evaluating the effect of the grants on increasing opportunities for and the number of beginning farmers;

(2) the number and amount of grants;

(3) the geographic distribution of grants by county;

(4) the number of grant recipients who are emerging farmers;

(5) the number of grant recipients who were experiencing limited land access or limited market access when the grant was awarded;

(6) disaggregated data regarding the gender, race, and ethnicity of grant recipients;

(7) the number of farmers who cease to own land and are subject to payment of a penalty, along with the reasons for the land ownership cessation; and

(8) the number and amount of grant applications that exceeded the allocation available in each year.

Sec. 10. Minnesota Statutes 2023 Supplement, section 17.134, is amended by adding a subdivision to read:

Subd. 3a. Grant requirements. In addition to the applicable grants management requirements under sections 16B.97 to 16B.991, as a condition of receiving a soil health financial assistance grant under this section an owner or lessee of farmland must commit to:
(1) if not certified under sections 17.9891 to 17.993, achieve certification no later than 24 months after the grant agreement is fully executed;

(2) not lease or rent the equipment to another for economic gain; and

(3) if selling the equipment, to sell it for no more than the owner's or lessee's documented share of the total purchase price.

Sec. 11. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision to read:

Subd. 1c. Beneficial substance. A "beneficial substance" is any substance or compound other than a primary, secondary, and micro plant nutrient that can be demonstrated by scientific research to be beneficial to one or more species of plants, soil, or media.

Sec. 12. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision to read:

Subd. 7b. Diammonium phosphate. "Diammonium phosphate" or "DAP" means a fertilizer containing 18 percent total nitrogen and 46 percent available phosphate.

Sec. 13. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision to read:

Subd. 11a. Finished sewage sludge product. "Finished sewage sludge product" means a fertilizer product consisting in whole or in part of sewage sludge that is disinfected by means of composting, pasteurization, wet air oxidation, heat treatment or other means and sold to the public.

Sec. 14. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision to read:


Sec. 15. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision to read:

Subd. 18c. Liquid 32. "Liquid 32" means a liquid nitrogen solution containing 32 percent total nitrogen.
Sec. 16. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision to read:

Subd. 19c. Monoammonium phosphate. "Monoammonium phosphate" or "MAP" means a fertilizer containing ten to 11 percent total nitrogen and 48 to 55 percent available phosphate.

Sec. 17. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision to read:

Subd. 20a. Nitrogen fertilizer. "Nitrogen fertilizer" means any fertilizer, soil amendment, or plant amendment totally or partially comprised of nitrogen, including but not limited to anhydrous ammonia, urea, liquid 28, liquid 32, DAP, and MAP.

Sec. 18. Minnesota Statutes 2022, section 18C.005, subdivision 33, is amended to read:

Subd. 33. Soil amendment. "Soil amendment" means a substance intended to improve the structural, physical, chemical, biochemical, or biological characteristics of the soil or modify organic matter at or near the soil surface, except fertilizers, agricultural liming materials, pesticides, and other materials exempted by the commissioner's rules.

Sec. 19. Minnesota Statutes 2022, section 18C.005, is amended by adding a subdivision to read:

Subd. 37a. Urea. "Urea" means a white crystalline solid containing 46 percent nitrogen.

Sec. 20. Minnesota Statutes 2022, section 18C.115, subdivision 2, is amended to read:

Subd. 2. Adoption of national standards. Applicable national standards contained in the 1996 official publication, number 49, most recently published version of the official publication of the Association of American Plant Food Control Officials including the rules and regulations, statements of uniform interpretation and policy, and the official fertilizer terms and definitions, and not otherwise adopted by the commissioner, may be adopted as fertilizer rules of this state.

Sec. 21. Minnesota Statutes 2022, section 18C.215, subdivision 1, is amended to read:

Subdivision 1. Packaged fertilizers. (a) A person may not sell or distribute specialty fertilizer in bags or other containers in this state unless a label is placed on or affixed to the bag or container stating in a clear, legible, and conspicuous form the following information:

(1) the net weight and volume, if applicable;
(2) the brand and grade, except the grade is not required if primary nutrients are not claimed;

(3) the guaranteed analysis;

(4) the name and address of the guarantor;

(5) directions for use, except directions for use are not required for custom blend specialty fertilizers; and

(6) a derivatives statement.

(b) A person may not sell or distribute fertilizer for agricultural purposes in bags or other containers in this state unless a label is placed on or affixed to the bag or container stating in a clear, legible, and conspicuous form the information listed in paragraph (a), clauses (1) to (4), except:

(1) the grade is not required if primary nutrients are not claimed; and

(2) the grade on the label is optional if the fertilizer is used only for agricultural purposes and the guaranteed analysis statement is shown in the complete form as in section 18C.211.

(c) The labeled information must appear:

(1) on the front or back side of the container;

(2) on the upper one-third of the side of the container;

(3) on the upper end of the container; or

(4) printed on a tag affixed to the upper end of the container.

(d) If a person sells a custom blend specialty fertilizer in bags or other containers, the information required in paragraph (a) must either be affixed to the bag or container as required in paragraph (c) or be furnished to the customer on an invoice or delivery ticket in written or printed form.

Sec. 22. Minnesota Statutes 2022, section 18C.221, is amended to read:

18C.221 FERTILIZER PLANT FOOD CONTENT.

(a) Products that are deficient in plant food content are subject to this subdivision.

(b) An analysis must show that a fertilizer is deficient:

(1) in one or more of its guaranteed primary plant nutrients beyond the investigational allowances and compensations as established by regulation; or
(2) if the overall index value of the fertilizer is shown below the level established by rule.

(c) A deficiency in an official sample of mixed fertilizer resulting from nonuniformity is not distinguishable from a deficiency due to actual plant nutrient shortage and is properly subject to official action.

(d) For the purpose of determining the commercial index value to be applied, the commissioner shall determine at least annually the values per unit of nitrogen, available phosphoric acid phosphate, and soluble potash in fertilizers in this state.

(e) If a fertilizer in the possession of the consumer is found by the commissioner to be short in weight, the registrant or licensee of the fertilizer must submit a penalty payment of two times the value of the actual shortage to the consumer within 30 days after official notice from the commissioner.

Sec. 23. Minnesota Statutes 2023 Supplement, section 18C.421, subdivision 1, is amended to read:

Subdivision 1. Annual tonnage report. (a) Each registrant under section 18C.411 and licensee under section 18C.415 shall file an annual tonnage report for the previous year ending June 30 with the commissioner, on forms provided or approved by the commissioner, utilizing uniform fertilizer tonnage reporting system codes and stating the number of net tons of each brand or grade of fertilizer, soil amendment, or plant amendment distributed in this state or the number of net tons and grade of each raw fertilizer material distributed in this state during the reporting period.

(b) A tonnage report is not required to be submitted and an inspection fee under section 18C.425, subdivision 6, is not required to be paid to the commissioner by a licensee who distributes fertilizer solely by custom application.

(c) The annual tonnage report must be submitted to the commissioner on or before July 31 of each year.

(d) The inspection fee under section 18C.425, subdivision 6, must accompany the statement.

(e) The commissioner must produce an annual fertilizer sales report and post this report on the commissioner's website.
Sec. 24. Minnesota Statutes 2023 Supplement, section 18C.425, subdivision 6, is amended to read:

Subd. 6. Payment of inspection fee. (a) The person who registers and distributes in the state a specialty fertilizer, soil amendment, or plant amendment under section 18C.411 shall pay the inspection fee to the commissioner.

(b) The person licensed under section 18C.415 who distributes a fertilizer to a person not required to be so licensed shall pay the inspection fee to the commissioner, except as exempted under section 18C.421, subdivision 1, paragraph (b).

(c) The person responsible for payment of the inspection fees for fertilizers, soil amendments, or plant amendments sold and used in this state must pay the inspection fee set under paragraph (e), and until June 30, 2024, an additional 40 cents per ton, of fertilizer, soil amendment, and plant amendment sold or distributed in this state, with a minimum of $10 on all tonnage reports. Notwithstanding section 18C.131, until June 30, 2025, the commissioner must deposit all revenue from the additional 40 cents per ton fee in the agricultural fertilizer research and education account in section 18C.80; after June 30, 2025, the commissioner must deposit all revenue from the additional 40 cents per ton fee in the private well drinking-water assistance account established in section 18C.90. Products sold or distributed to manufacturers or exchanged between them are exempt from the inspection fee imposed by this subdivision if the products are used exclusively for manufacturing purposes.

(d) A registrant or licensee must retain invoices showing proof of fertilizer, plant amendment, or soil amendment distribution amounts and inspection fees paid for a period of three years.

(e) By commissioner's order, the commissioner must set the inspection fee at no less than 39 cents per ton and no more than 70 cents per ton. The commissioner must hold a public meeting before increasing the fee by more than five cents per ton.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 25. Minnesota Statutes 2022, section 18C.70, subdivision 5, is amended to read:

Subd. 5. Expiration. This section expires June 30, 2025-2026.

Sec. 26. Minnesota Statutes 2022, section 18C.71, subdivision 4, is amended to read:

Subd. 4. Expiration. This section expires June 30, 2025-2026.
Sec. 27. Minnesota Statutes 2022, section 18C.80, subdivision 2, is amended to read:

Subd. 2. Expiration. This section expires June 30, 2026.

Sec. 28. PRIVATE WELL DRINKING-WATER ASSISTANCE PROGRAM.

Subdivision 1. Account; appropriation. A private well drinking-water assistance account is established in the agricultural fund. Money in the account, including interest earned, is appropriated to the commissioner for aid payments to community health boards under subdivision 2.

Subd. 2. Aid payments. (a) At least annually, the commissioner must make aid payments to community health boards established under chapter 145A for purposes of assisting eligible residents under subdivision 3.

(b) The commissioner must award proportional aid payments to eligible community health boards based on each board's share of total private drinking-water wells in the state with documented nitrate in excess of ten milligrams per liter, as determined by the commissioner in consultation with the commissioners of health and the Pollution Control Agency.

Subd. 3. Provision of safe drinking water. (a) For purposes of this section, "safe drinking water" means water required for drinking, cooking, and maintaining oral hygiene that has a nitrate level of no more than ten milligrams per liter.

(b) Community health boards must use aid payments received under subdivision 2 to assist residents in obtaining safe drinking water when the documented level of nitrate in the resident's private drinking-water well is more than ten milligrams per liter, with priority given to pregnant women and children under the age of one.

(c) Community health boards must assist eligible residents in obtaining safe drinking water through one or more of the following methods:

1. convenient bottled water distribution or delivery;
2. reverse osmosis treatment unit acquisition, installation, and maintenance;
3. connection to a public water system; or
4. another method, as determined by the commissioner of health, that provides eligible residents with a sufficient quantity of safe drinking water.

Subd. 4. Reports. No later than January 15 each year, the commissioner must report outcomes achieved under this section and any corresponding recommendations to the chairs...
and ranking minority members of the legislative committees with jurisdiction over agriculture
and health.

Sec. 29. Minnesota Statutes 2022, section 18D.301, subdivision 1, is amended to read:

Subdivision 1. Enforcement required. (a) The commissioner shall enforce this chapter
and chapters 18B, 18C, and 18F.

(b) Violations of chapter 18B, 18C, or 18F or rules adopted under chapter 18B, 18C, or
18F, or section 103H.275, subdivision 2, are a violation of this chapter.

(c) Upon the request of the commissioner, county attorneys, sheriffs, and other officers
having authority in the enforcement of the general criminal laws shall take action to the
extent of their authority necessary or proper for the enforcement of this chapter or special
orders, standards, stipulations, and agreements of the commissioner.

Sec. 30. Minnesota Statutes 2023 Supplement, section 18K.06, is amended to read:

18K.06 RULEMAKING.

(a) The commissioner shall adopt rules governing the production, testing, processing,
and licensing of industrial hemp. Notwithstanding the two-year limitation for exempt rules
under section 14.388, subdivision 1, Minnesota Rules, chapter 1565, published in the State
Register on August 16, 2021, is effective until August 16, 2025, or until permanent rules
implementing chapter 18K are adopted, whichever occurs first. May adopt or amend rules
governing the production, testing, processing, and licensing of industrial hemp using the
procedure in section 14.386, paragraph (a). Section 14.386, paragraph (b), does not apply
to rules adopted or amended under this section.

(b) Rules adopted under paragraph (a) must include but not be limited to provisions
governing:

(1) the supervision and inspection of industrial hemp during its growth and harvest;
(2) the testing of industrial hemp to determine delta-9 tetrahydrocannabinol levels;
(3) the use of background check results required under section 18K.04 to approve or
deny a license application; and

(4) any other provision or procedure necessary to carry out the purposes of this chapter.

(c) Rules issued under this section must be consistent with federal law regarding the
production, distribution, and sale of industrial hemp.
Sec. 31. Minnesota Statutes 2022, section 28A.10, is amended to read:

**28A.10 POSTING OF LICENSE; RULES.**

All such licenses shall be issued for a period of one year and shall be posted or displayed in a conspicuous place at the place of business so licensed. Except as provided in sections 29.22, subdivision 4 and 31.39, all such license fees and penalties collected by the commissioner shall be deposited into the state treasury and credited to the general fund. The commissioner may adopt such rules in conformity with law as the commissioner deems necessary to effectively and efficiently carry out the provisions of sections 28A.01 to 28A.16.

Sec. 32. Minnesota Statutes 2022, section 28A.21, subdivision 6, is amended to read:

Subd. 6. Expiration. This section expires June 30, 2027

Sec. 33. Minnesota Statutes 2022, section 31.74, is amended to read:

**31.74 SALE OF ImitATION HONEY.**

Subdivision 1. **Honey defined.** As used in this section "honey" means the nectar and saccharine exudation of plants, gathered, modified and stored in the comb by honey bees, which is levorotatory, contains not more than 25 percent of water, not more than 25/100 percent of ash, and not more than eight percent sucrose.

Subd. 2. **Prohibited sale.** Notwithstanding any law or rule to the contrary, it is unlawful for any person to sell or offer for sale any product which is in semblance of honey and which is labeled, advertised, or otherwise represented to be honey, if it is not honey. The word "imitation" shall not be used in the name of a product which is in semblance of honey whether or not it contains any honey. The label for a product which is not in semblance of honey and which contains honey may include the word "honey" in the name of the product and the relative position of the word "honey" in the product name, and in the list of ingredients, when required, shall be determined by its prominence as an ingredient in the product.

Subd. 4. **Food consisting of honey and another sweetener.** Consistent with the federal act, the federal regulations incorporated under section 31.101, subdivision 7, and the prohibition against misbranding in sections 31.02 and 34A.03, the label for a food in semblance of honey and consisting of honey and another sweetener must include but is not limited to the following elements:

(1) a statement of identity that accurately identifies or describes the nature of the food or its characterizing properties or ingredients; and
(2) the common or usual name of each ingredient in the ingredient statement, in descending order of predominance by weight.

Sec. 34. Minnesota Statutes 2022, section 31.94, is amended to read:

31.94 ORGANIC AGRICULTURE; COMMISSIONER DUTIES.

(a) In order to promote opportunities for organic agriculture in Minnesota, the commissioner shall:

(1) survey producers and support services and organizations to determine information and research needs in the area of organic agriculture practices;

(2) work with the University of Minnesota and other research and education institutions to demonstrate the on-farm applicability of organic agriculture practices to conditions in this state;

(3) direct the programs of the department so as to work toward the promotion of organic agriculture in this state;

(4) inform agencies about state or federal programs that support organic agriculture practices; and

(5) work closely with producers, producer organizations, the University of Minnesota, and other appropriate agencies and organizations to identify opportunities and needs as well as ensure coordination and avoid duplication of state agency efforts regarding research, teaching, marketing, and extension work relating to organic agriculture.

(b) By November 15 of each year that ends in a zero or a five, the commissioner, in conjunction with the task force created in paragraph (c), shall report on the status of organic agriculture in Minnesota to the legislative policy and finance committees and divisions with jurisdiction over agriculture. The report must include available data on organic acreage and production, available data on the sales or market performance of organic products, and recommendations regarding programs, policies, and research efforts that will benefit Minnesota's organic agriculture sector.

(c) A Minnesota Organic Advisory Task Force shall advise the commissioner and the University of Minnesota on policies and programs that will improve organic agriculture in Minnesota, including how available resources can most effectively be used for outreach, education, research, and technical assistance that meet the needs of the organic agriculture sector. The task force must consist of the following residents of the state:

(1) three organic farmers;
(2) one wholesaler or distributor of organic products;
(3) one representative of organic certification agencies;
(4) two organic processors;
(5) one representative from University of Minnesota Extension;
(6) one University of Minnesota faculty member;
(7) one representative from a nonprofit organization representing producers;
(8) two public members;
(9) one representative from the United States Department of Agriculture;
(10) one retailer of organic products; and
(11) one organic consumer representative.

The commissioner, in consultation with the director of the Minnesota Agricultural Experiment
Station; the dean and director of University of Minnesota Extension and the dean of the
College of Food, Agricultural and Natural Resource Sciences, shall appoint members to
serve three-year terms.

Compensation and removal of members are governed by section 15.059, subdivision 6.
The task force must meet at least twice each year and expires on June 30, 2024.

For the purposes of expanding, improving, and developing production and marketing
of the organic products of Minnesota agriculture, the commissioner may receive funds from
state and federal sources and spend them, including through grants or contracts, to assist
producers and processors to achieve certification, to conduct education or marketing
activities, to enter into research and development partnerships, or to address production or
marketing obstacles to the growth and well-being of the industry.

The commissioner may facilitate the registration of state organic production and
handling operations including those exempt from organic certification according to Code
of Federal Regulations, title 7, section 205.101, and accredited certification agencies
operating within the state.

EFFECTIVE DATE. This section is effective the day following final enactment.
Sec. 35. Minnesota Statutes 2022, section 32D.30, is amended to read:

32D.30 DAIRY DEVELOPMENT AND PROFITABILITY ENHANCEMENT.

Subdivision 1. Program. The commissioner must implement a dairy development and profitability enhancement program consisting of dairy profitability enhancement teams and program, dairy business planning grants, and other services to support the dairy industry.

Subd. 2. Dairy profitability enhancement teams program. (a) The dairy profitability enhancement teams program must provide one-on-one information and technical assistance to dairy farms of all sizes to enhance their financial success and long-term sustainability.

Teams The program must assist dairy producers in all dairy-producing regions of the state and. Assistance to producers from the program may consist of be provided individually, as a team, or through other methods by farm business management instructors, dairy extension specialists, and other dairy industry partners. Teams The program may engage in activities including such as comprehensive financial analysis, risk management education, enhanced milk marketing tools and technologies, and facilitating or improving production systems, including rotational grazing and other sustainable agriculture methods, and value-added opportunities.

(b) The commissioner must make grants to regional or statewide organizations qualified to manage the various components of the teams program and serve as program administrators.

Each regional or statewide organization must designate a coordinator responsible for overseeing the program and submitting periodic reports to the commissioner regarding aggregate changes in producer financial stability, productivity, product quality, animal health, environmental protection, and other performance measures attributable to the program.

The organizations must submit this information in a format that maintains the confidentiality of individual dairy producers.

Subd. 3. Dairy business planning grants. The commissioner may award dairy business planning grants of up to $5,000 per producer or dairy processor to develop comprehensive business plans use technical assistance services for evaluating operations, transitional changes, expansions, improvements, and other business modifications. Producers and processors must not use dairy business planning grants for capital improvements.

Subd. 4. Funding allocation. Except as specified in law, the commissioner may allocate dairy development and profitability enhancement program dollars among for the permissible uses specified in this section and other needs to support the dairy industry, including efforts to improve the quality of milk produced in the state, in the proportions that the commissioner deems most beneficial to the state's dairy farmers.
Subd. 5. **Reporting.** No later than July 1 each year, the commissioner must submit a
detailed accomplishment report and work plan detailing future plans for, and the actual and
anticipated accomplishments from, expenditures under this section to the chairs and ranking
minority members of the legislative committees and divisions with jurisdiction over
agriculture policy and finance. If the commissioner significantly modifies a submitted work
plan during the fiscal year, the commissioner must notify the chairs and ranking minority
members.

Sec. 36. Minnesota Statutes 2023 Supplement, section 41A.19, is amended to read:

**41A.19 REPORT; INCENTIVE PROGRAMS.**

By January 15 each year, the commissioner shall report on the incentive and tax credit
programs under sections 41A.16, 41A.17, 41A.18, and 41A.20, and 41A.30 to the legislative
committees with jurisdiction over environment policy and finance and agriculture policy
and finance. The report shall include information on production and, blending, incentive
expenditures, and tax credit certificates awarded under the programs, as well as the following
information that the commissioner must require of each producer or blender who receives
a payment or a tax credit certificate during the reporting period:

1. the producer's or blender's business structure;
2. the name and address of the producer's or blender's parent company, if any;
3. a cumulative list of all financial assistance received from all public grantors for the
   project;
4. goals for the number of jobs created and progress in achieving these goals, which
   may include separate goals for the number of part-time or full-time jobs, or, in cases where
   job loss is specific and demonstrable, goals for the number of jobs retained;
5. equity hiring goals and progress in achieving these goals;
6. wage goals and progress in achieving these goals for all jobs created or maintained
   by the producer or blender;
7. board member and executive compensation;
8. evidence of compliance with environmental permits;
9. the producer's or blender's intended and actual use of payments from, or tax credits
   approved by, the commissioner; and
(10) if applicable, the latest financial audit opinion statement produced by a certified public accountant in accordance with standards established by the American Institute of Certified Public Accountants.

Sec. 37. Minnesota Statutes 2022, section 41B.039, subdivision 2, is amended to read:

Subd. 2. State participation. The state may participate in a new real estate loan with an eligible lender to a beginning farmer to the extent of 45 percent of the principal amount of the loan or $400,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the lender's retained portion of the loan.

Sec. 38. Minnesota Statutes 2022, section 41B.04, subdivision 8, is amended to read:

Subd. 8. State participation. With respect to loans that are eligible for restructuring under sections 41B.01 to 41B.23 and upon acceptance by the authority, the authority shall enter into a participation agreement or other financial arrangement whereby it shall participate in a restructured loan to the extent of 45 percent of the primary principal or $525,000, whichever is less. The authority's portion of the loan must be protected during the authority's participation by the first mortgage held by the eligible lender to the extent of its participation in the loan.

Sec. 39. Minnesota Statutes 2022, section 41B.042, subdivision 4, is amended to read:

Subd. 4. Participation limit; interest. The authority may participate in new seller-sponsored loans to the extent of 45 percent of the principal amount of the loan or $400,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the seller's retained portion of the loan.

Sec. 40. Minnesota Statutes 2022, section 41B.043, subdivision 1b, is amended to read:

Subd. 1b. Loan participation. The authority may participate in an agricultural improvement loan with an eligible lender to a farmer who meets the requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who is actively engaged in farming. Participation is limited to 45 percent of the principal amount of the loan or $400,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the lender's retained portion of the loan.
Sec. 41. Minnesota Statutes 2022, section 41B.045, subdivision 2, is amended to read:

Subd. 2. Loan participation. The authority may participate in a livestock expansion and modernization loan with an eligible lender to a livestock farmer who meets the requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who are actively engaged in a livestock operation. A prospective borrower must have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than $1,700,000 in 2017 and an amount in subsequent years which is adjusted for inflation by multiplying that amount by the cumulative inflation rate as determined by the United States All-Items Consumer Price Index.

Participation is limited to 45 percent of the principal amount of the loan or $525,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different from the interest rates and repayment terms of the lender's retained portion of the loan.

Sec. 42. Minnesota Statutes 2022, section 41B.047, subdivision 1, is amended to read:

Subdivision 1. Establishment. The authority shall establish and implement a disaster recovery loan program to help farmers:

1. clean up, repair, or replace farm structures and septic and water systems, as well as replace seed, other crop inputs, feed, and livestock;

2. purchase watering systems, irrigation systems, and other drought mitigation systems and practices, and feed when drought is the cause of the purchase;

3. restore farmland;

4. replace flocks or livestock, make building improvements, or cover the loss of revenue when the replacement, improvements, or loss of revenue is due to the confirmed presence of a highly contagious animal disease in a commercial poultry or game flock, or a commercial livestock operation, located in Minnesota; or

5. cover the loss of revenue when the revenue loss is due to an infectious human disease for which the governor has declared a peacetime emergency under section 12.31.

Sec. 43. Minnesota Statutes 2022, section 123B.02, is amended by adding a subdivision to read:

Subd. 26. Waterfowl hatching prohibition. A school board must prohibit a waterfowl hatching project as part of a lesson or experimental study in a class or program, including
a community education program under section 124D.19, or in any cocurricular activity, or extracurricular activity. This subdivision does not apply to a waterfowl hatching project conducted by or under the auspices of Future Farmers of America or 4-H. For purposes of this subdivision, "waterfowl" means all ducks, geese, and other species of migratory and nonmigratory waterfowl.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 44. Minnesota Statutes 2022, section 124E.03, is amended by adding a subdivision to read:

Subd. 11. Waterfowl hatching prohibition. A charter school is subject to and must comply with section 123B.02, subdivision 26, as though it were a district.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 45. Minnesota Statutes 2022, section 223.17, subdivision 6, is amended to read:

Subd. 6. Financial statements. (a) Except as allowed in paragraph (c), a grain buyer licensed under this chapter must annually submit to the commissioner a financial statement prepared by a third-party independent accountant or certified public accountant in accordance with generally accepted accounting principles, national or international accounting standards. The annual financial statement required under this subdivision must also:

(1) include, but not be limited to the following:

(i) a balance sheet;

(ii) a statement of income (profit and loss);

(iii) a statement of retained earnings;

(iv) a statement of changes in financial position, cash flow; and

(v) a statement of the dollar amount of grain purchased in the previous fiscal year of the grain buyer;

(2) be accompanied by a compilation report of the financial statement that is prepared by a grain commission firm or a management firm approved by the commissioner or by an independent public accountant, in accordance with standards established by the American Institute of Certified Public Accountants or similar international standards;

(3) be accompanied by a certification by the chief executive officer or the chief executive officer's designee of the licensee, and where applicable, all members of the governing board...
of directors under penalty of perjury, that the financial statement accurately reflects the
financial condition of the licensee for the period specified in the statement;

(4) for grain buyers purchasing under $7,500,000 of grain annually, be reviewed by a
certified public accountant in accordance with standards established by the American Institute
of Certified Public Accountants, and must show that the financial statements are free from
material misstatements; and

(5) (3) for grain buyers purchasing $7,500,000 or more of grain annually, be audited or
reviewed by a certified public accountant in accordance with standards established by the
American Institute of Certified Public Accountants and or similar international standards.
An audit must include an opinion statement from the certified public accountant, performing
the audit; and

(4) for grain buyers purchasing $20,000,000 or more of grain annually, be audited by a
certified public accountant in accordance with standards established by the American Institute
of Certified Public Accountants or similar international standards. The audit must include
an opinion statement from the certified public accountant performing the audit.

(b) Only one financial statement must be filed for a chain of warehouses owned or
operated as a single business entity, unless otherwise required by the commissioner. All
financial statements filed with the commissioner are private or nonpublic data as provided
in section 13.02.

(c) A grain buyer who purchases grain immediately upon delivery solely with cash, a
certified check, a cashier's check, or a postal, bank, or express money order, as defined in
section 223.16, subdivision 2a, paragraph (b), is exempt from this subdivision if the grain
buyer's gross annual purchases are $1,000,000 or less.

(d) For an entity that qualifies for the exemption in paragraph (c), the commissioner
retains the right to require the entity to provide the commissioner with financial reporting
based on inspections, any report of nonpayment, or other documentation related to violations
of this chapter, chapter 232, or Minnesota Rules, chapter 1562.

(e) To ensure compliance with this chapter, the commissioner must annually review
financial statements submitted under paragraph (a).

(f) The commissioner shall annually provide information on a person's fiduciary
duties to each licensee. To the extent practicable, the commissioner must direct each licensee
to provide this information to all persons required to certify the licensee's financial statement
under paragraph (a), clause (3).
(g) The commissioner may require an entity to provide additional financial statements or financial reporting, including audited financial statements.

Sec. 46. Minnesota Statutes 2023 Supplement, section 223.24, subdivision 2, is amended to read:

Subd. 2. **Account; appropriation.** (a) Except as provided in paragraph (d), money in the grain indemnity account, including interest, is appropriated to the commissioner to pay valid claims and to administer this section.

(b) The commissioner shall direct payments from the grain indemnity account only for the following purposes:

(1) the payment of valid claims;
(2) the payment of grain indemnity premium refunds;
(3) the payment of administrative expenses under paragraph (c);
(4) the payment of legal fees and legal expenses under subdivision 7; or
(5) the payment of a trustee appointed under subdivision 6.

(c) The commissioner shall allocate money from the grain indemnity account to a separate administrative expenses account to pay or reimburse the agency for grain indemnity account expenses. Administrative expenses under this paragraph include the actual cost of processing payments and refunds, enforcement, record keeping, ordinary management and investment fees connected with the operation of the grain indemnity account, and legal expenses.

(d) Until June 30, 2029, all interest or other investment proceeds earned on money in the grain indemnity account must be transferred to the farmer debt reduction account established in subdivision 2a.

Sec. 47. Minnesota Statutes 2023 Supplement, section 223.24, is amended by adding a subdivision to read:

Subd. 2a. **Farmer debt reduction account.** (a) A farmer debt reduction account is established in the agricultural fund. Money in the account, including interest, is appropriated to the commissioner to award debt reduction grants under section 17.034.

(b) This subdivision expires on June 30, 2030.
Sec. 48. Minnesota Statutes 2022, section 232.21, subdivision 3, is amended to read:

Subd. 3. Commissioner. "Commissioner" means the commissioner of agriculture or the commissioner's designee.

Sec. 49. Minnesota Statutes 2022, section 232.21, subdivision 7, is amended to read:

Subd. 7. Grain. "Grain" means any cereal grain, coarse grain, or oilseed in unprocessed form for which a standard has been established by the United States Secretary of Agriculture, dry edible beans, or agricultural crops designated by the commissioner by rule commonly referred to as grain, including wheat, corn, oats, barley, rye, rice, soybeans, emmer, sorghum, triticale, millet, pulses, dry edible beans, sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, crambe, sesame seed, and other products ordinarily stored in grain warehouses.

Sec. 50. Minnesota Statutes 2022, section 232.21, subdivision 11, is amended to read:

Subd. 11. Producer. "Producer" means a person who owns or manages a grain producing or growing operation and holds or shares the responsibility for marketing that grain produced grows grain on land owned or leased by the person.

Sec. 51. Minnesota Statutes 2022, section 232.21, subdivision 12, is amended to read:

Subd. 12. Public grain warehouse operator. "Public grain warehouse operator" means: (1) a person licensed to operate a grain warehouse in which grain belonging to persons other than the grain warehouse operator is accepted for storage or purchase; or (2) a person who offers grain storage or grain warehouse facilities to the public for hire; or (3) a feed-processing plant that receives and stores grain, the equivalent of which, it processes and returns to the grain's owner in amounts, at intervals, and with added ingredients that are mutually agreeable to the grain's owner and the person operating the plant.

Sec. 52. Minnesota Statutes 2022, section 232.21, subdivision 13, is amended to read:

Subd. 13. Scale ticket. "Scale ticket" means a memorandum showing the weight, grade and kind of grain which is issued by a grain elevator or warehouse operator to a depositor at the time the grain is delivered.

Sec. 53. CARBON CREDIT REPORT REQUIRED.

The commissioner of agriculture must convene a stakeholder working group to explore the state establishing a carbon credit market for farmers. No later than February 1, 2025,
the commissioner must report recommendations to the legislative committees with jurisdiction over agriculture. The commissioner must provide participating stakeholders an opportunity to include written testimony in the commissioner's report.

Sec. 54. REPEALER.

(a) Minnesota Statutes 2022, sections 3.7371, subdivision 7; and 34.07, are repealed.

(b) Minnesota Rules, parts 1506.0010; 1506.0015; 1506.0020; 1506.0025; 1506.0030; 1506.0035; and 1506.0040, are repealed.

ARTICLE 4
BROADBAND

Section 1. Minnesota Statutes 2022, section 116J.396, is amended by adding a subdivision to read:

Subd. 4. Transfer. The commissioner may transfer up to $5,000,000 of a fiscal year appropriation between the border-to-border broadband program, low density population broadband program, and the broadband line extension program to meet demand.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. BROADBAND DEVELOPMENT; APPLICATION FOR FEDERAL FUNDING; APPROPRIATION.

(a) The commissioner of employment and economic development must prepare and submit an application to the United States Department of Commerce requesting State Digital Equity Capacity Grant Funding made available under Public Law 117-58, the Infrastructure Investment and Jobs Act.

(b) The amount awarded Minnesota from paragraph (a) is appropriated to the commissioner of employment and economic development for purposes of the commissioner's Minnesota Digital Opportunity Plan."

Delete the title and insert:

"A bill for an act relating to state government; authorizing supplemental agriculture appropriations; modifying appropriations; providing broadband appropriation transfer authority; making policy and technical changes to agriculture provisions; establishing and modifying agriculture programs; requiring an application for federal broadband aid; requiring reports; appropriating money; amending Minnesota Statutes 2022, sections 3.7371, subdivisions 2, 3, by adding subdivisions; 17.133, subdivision 1; 18B.01, by adding a subdivision; 18B.26, subdivision 6; 18B.28, by adding a subdivision; 18B.305, subdivision 2; 18B.32, subdivisions 1, 3, 4, 5; 18B.33,
subdivisions 1, 2; 18B.37, subdivisions 2, 3; 18C.005, subdivision 33, by adding subdivisions; 18C.115, subdivision 2; 18C.215, subdivision 1; 18C.221; 18C.70, subdivision 5; 18C.71, subdivision 4; 18C.80, subdivision 2; 18D.301, subdivision 1; 28A.10; 28A.21, subdivision 6; 31.74; 31.94; 32D.30; 41B.039, subdivision 2; 41B.04, subdivision 8; 41B.042, subdivision 4; 41B.043, subdivision 1b; 41B.045, subdivision 2; 41B.047, subdivision 1; 116J.396, by adding a subdivision; 123B.02, by adding a subdivision; 124E.03, by adding a subdivision; 223.17, subdivision 6; 232.21, subdivisions 3, 7, 11, 12, 13; Minnesota Statutes 2023 Supplement, sections 17.055, subdivision 3; 17.133, subdivision 3; 17.134, by adding a subdivision; 18C.421, subdivision 1; 18C.425, subdivision 6; 18K.06; 41A.19; 223.24, subdivision 2, by adding a subdivision; Laws 2023, chapter 43, article 1, sections 2; 4; proposing coding for new law in Minnesota Statutes, chapters 17; 18B; 18C; repealing Minnesota Statutes 2022, sections 3.7371, subdivision 7; 34.07; Minnesota Rules, parts 1506.0010; 1506.0015; 1506.0020; 1506.0025; 1506.0030; 1506.0035; 1506.0040."